

# Exhibit B

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re:

SEARS HOLDINGS CORPORATION, *et al.*,

Debtors.<sup>1</sup>

Chapter 11

Case No. 18-23538 (RDD)

(Jointly Administered)

**ORDER ON MOTION FOR AN ORDER ESTABLISHING  
STREAMLINED PROCEDURES GOVERNING ADVERSARY PROCEEDINGS  
WITH TOTAL IN CONTROVERSY LESS THAN OR EQUAL TO \$500,000  
BROUGHT BY THE DEBTORS PURSUANT TO SECTIONS 502,  
547, 548 AND 550 OF THE BANKRUPTCY CODE**

Upon the *Seventh Motion for Orders Establishing Streamlined Procedures Governing Adversary Proceedings Brought by the Debtors Pursuant to Sections 502, 547, 548 and 550 of the Bankruptcy Code*, dated November 2, 2020 (the “**Motion**”),<sup>2</sup> filed by Sears Holdings Corporation and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**” or “**Plaintiff**”) by and through their undersigned counsel, for entry of, among other things, a procedures order (the “**Procedures Order**”) establishing

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors’ corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

<sup>2</sup> Capitalized terms not otherwise defined herein shall have the same meaning ascribed to them as in the Motion.

streamlined procedures governing adversary proceedings with a total transfers less than or equal to \$500,000 brought by the Debtors pursuant to Sections 502, 547, 548, and 550 of the Bankruptcy Code identified in **Exhibit 1** annexed hereto (each an “**Avoidance Action**,” collectively, the “**Avoidance Actions**”); and the Court having jurisdiction to consider and determine the Motion as a core proceeding in accordance with 28 U.S.C. §§ 157(a)-(b) and 1334(b) and the Amended Standing Order of Reference M-431, dated January 31, 2012 (Preska, C.J.); and venue being proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion and the opportunity for a hearing thereon having been provided in accordance with the Amended Order Implementing Certain Notice and Case Management Procedures, dated November 1, 2018 (D.I. No. 405), including, as represented by counsel for the Debtors, the parties to the Avoidance Actions; and it appearing that no other or further notice need be provided; and the only objection(s) to the Motion having been withdrawn, overruled, or otherwise resolved; and the Court having determined that no hearing on the Motion is required; and, after due deliberation, the Court having determined that the legal and factual bases set forth in the Motion establish good and sufficient cause for the relief granted herein and that such relief is in the best interests of the Debtors, their estates, their creditors and all parties in interest in that it will facilitate the prompt, economical and fair determination and resolution of the Avoidance Actions; now, therefore,

**IT IS HEREBY ORDERED THAT:**

1. The Motion granted as provided herein.
2. All parties to the Avoidance Actions shall be governed by the procedures attached hereto as **Exhibit 2** (the “**Avoidance Action Procedures**”) and incorporated herein by reference, which Avoidance Action Procedures are hereby approved and shall govern the Avoidance Actions, effective as of the date of this Order.

3. The time periods set forth in this Order and the Avoidance Action Procedures shall be calculated in accordance with Bankruptcy Rule 9006(a).

4. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

5. This Order shall be effective immediately upon its entry.

Dated: \_\_\_\_\_  
White Plains, New York

\_\_\_\_\_  
THE HONORABLE ROBERT D. DRAIN  
UNITED STATES BANKRUPTCY JUDGE

**Exhibit 1**  
**CASE LIST**

<b>Defendant Name</b>	<b>Adversary Number</b>
1057 Hanover LLC	20-06622
1070 Hanover LLC	20-06623
2 Girls Accys Inc.	20-06787
2075560 Ontario Limited	20-06624
225 Robbins LLC	20-06621
2607117 Ontario Inc.	20-06788
3h Farm LLC	20-06619
5th & Ocean Clothing LLC	20-06620
A & GS Contractor Inc.	20-06625
A 1 Switching	20-06626
AAdvantage North American Inc.	20-06861
ABG Accessories Inc.	20-06627
ACCO Brands USA LLC	20-06832
Acme Furniture Industry, Inc.	20-06789
Action Time Inc.	20-06628
ADT LLC dba Protection One fdba Protection One Alarm Monitoring, Inc.	20-06531
Advanced Integrated Services, Inc., Db a Advanced Integrated Services	20-06862
AHS Pharmstat LLC	20-06630
Allure Home Creation Co. Inc.	20-06631
Alps Industries Ltd.	20-06632
Ambros Inc.	20-06633
Apmex, Inc., Db a Apmex	20-06634
Arca Industrial (NJ) Inc.	20-06636
Aspen Refrigerants Inc.	20-06638
ATC Group Services LLC	20-06639
Awesome Products Inc.	20-06640
BBJ Group LLC	20-06590
Benner Mechanical And Electrical Inc., Db a Benner Mechanical & Electrical	20-06863
Better Sourcing Worldwide Ltd.	20-06837
Billion Best Industrial Ltd.	20-06907
Bioworld Merchandising Inc.	20-06641

BMS Tenant Services LLC	20-06642
Bond Manufacturing Co., Inc.	20-06591
Bonnie Plant Farm	20-06643
Bonnier Corporation	20-06644
Borden Ladner Gervais LLP	20-06533
BRE Delta Industrial Sacramento LP	20-06534
Brennan Jewelry Inc., Dba Brennan Jewelry	20-06645
Brixton Everett LLC	20-06790
Builder's Best, Inc., Dba Builders Best	20-06864
CAK Entertainment Inc.	20-06536
Canal Toys USA, Ltd.	20-06592
Capitol Funds, Inc.; and Berkeley Mall, LLC	20-06538
Carson Guam Corporation	20-06646
Castanea Labs Inc.	20-06647
Catalyst Paper USA Inc.	20-06648
CBA Industries, Inc., Dba CBA Industries	20-06649
Centra Marketing & Communications LLC, Dba Centra360	20-06969
CenturyLink Communications, LLC	20-06539
Cesar Castillo Inc.	20-06650
Challenger Motor Freight Inc.	20-06540
Chatmeter Inc.	20-06652
China Fortune LLC	20-06653
Chun Fung Footwear Company Limited	20-06911
CKK Home Decor LP	20-06654
Cleva North America Inc.	20-06912
Clicktale Inc.	20-06655
Clover Technologies Group LLC	20-06656
Colombina De Puerto Rico LLC	20-06657
Community Newspaper Company, Dba Community Newspaper	20-06865
Complete Garage Services LLC	20-06658
Core Organization LLC	20-06659
Corporation Service Company	20-06541
CRB Commercial Interiors Inc.	20-06661
Crown Metal Mfg Co.	20-06663
Cybertron International Inc.	20-06596
Cypress Media, LLC, Dba The Kansas City Star	20-06866
Cyxtera Communications LLC	20-06664
Dakota Square Mall CMBS, LLC	20-06542
Datasoft Inc.	20-06665

David Huang	20-06666
Dayton Appliance Parts Co.	20-06543
Dell Marketing L.P.	20-06544
Deportes Salvador Colom Inc.	20-06667
DGI LS LLC	20-06793
Dragon Eyes HK Ltd.	20-06917
Dscovery LLC	20-06668
Dunlop Sports Group Americas Inc., DbA Dunlop Sports Group Americas	20-06867
Dynasty Apparel Corp.	20-06669
E Formella & Sons Inc.	20-06670
E Plaza III LP	20-06671
Eagle Home Products Inc.	20-06672
Electri-Chef LLC, DbA Electri-Chef	20-06673
Elevate Hong Kong Holdings Limited	20-06795
Elizabeth Arden Inc.	20-06868
Emerson Healthcare LLC	20-06674
Empire Electronic Corp.	20-06796
Empresas Velazquez, Inc., DbA Empresas Velazquez	20-06869
Encompass Supply Chain Solutions Inc.	20-06993
Entech Sales & Service Inc.	20-06675
EPI Printers Inc.	20-06676
Eric Jay Ltd.	20-06677
Eternal Best Industrial Ltd.	20-06838
Everbloom Growers Inc.	20-06678
Exquisite Apparel Corp.	20-06679
Exteriors By Design, Inc., DbA California Commercial Roofing Systems	20-06870
F & F Construction Inc.	20-06681
Far East Watchcases USA Ltd.	20-07008
Fibre World, Inc., DbA Fibre World	20-06922
Flynn Enterprises LLC	20-06682
Focus Camera LLC, DbA Focus Camera	20-06683
Forever International (Taiwan) Inc.	20-06978
Fossil Partnership LP	20-06684
Four Seasons Design Inc.	20-06685
Fox Luggage Inc.	20-06686
FPC Corporation	20-06687
Friend Smith & Co. Inc.	20-06820
Frilot LLC	20-06688

Fruit Of The Earth Inc.	20-06689
Garda CL West Inc.	20-06923
Gateway Fashion Mall, LLC	20-06548
GF3 Ventures LLC, DbA Barrett Supply Company	20-07012
GFR Media, LLC, DbA El Dia Inc.	20-06690
GG & A Central Mall Partners LP	20-06691
GIV Green Tree Mall Investors LLC, DbA Gem IV Ra LLC	20-06871
Goldberger International Limited	20-06839
good2grow, LLC, DbA In Zone Brands Inc.	20-06692
Goya Foods Inc., DbA Goya De Puerto Rico Inc.	20-06834
Grace Cole Ltd.	20-06799
Granada Sales Corp.	20-07009
Grand Home Holdings Inc., DbA Barbeques Galore	20-06872
Gregory Richard Zimmerman DbA Tri City Appliance Installations	20-06693
GSF USA Inc.	20-06873
Guangdong Galanz Microwave Electrical Appliances Manufacturing Co., Ltd., DbA GD Galanz Microwave Ele. App.	20-06840
GXS, Inc., DbA GXS	20-06695
Handfab Elegance Pvt. Ltd., DbA Handfab A Living	20-06979
Handi-Craft Company	20-06553
Hangzhou Bestsino I/E Co. Ltd.	20-06874
Hauck (Hong Kong) Limited	20-06926
Hearing Associates Inc.	20-06696
High Hope Zhongding Corporation	20-06697
HKD Global Limited, DbA HKD Global Inc.	20-06928
Housewares Corp. of Asia Limited	20-06841
Huhtamaki Inc.	20-06698
Huppins Hi Fi Photo & Video Inc., DbA Onecall.com	20-06876
Ienjoy LLC	20-06929
Igoseating Limited	20-06842
In Gear Fashions Inc.	20-06699
Indiana Mall Company LP	20-06800
Infor (US), Inc.	20-06602
Innocor Inc.	20-06701
Innovative Technology Electronics, LLC	20-06930
Installs Inc.	20-06877
Insular Trading Co. Inc.	20-06702
Intebonsa S.A.	20-06554
Interdesign Inc.	20-06703
Inversiones Joselynmari, S.E.	20-06704



Island Delivery Service	20-06705
Istar Jewelry LLC, DbA Stanley Creations, Inc., DbA SGG Inc.	20-06970
Jay and Snow (JS) International Ltd.	20-06555
JB LLC, DbA Island Mfg. & Wholesale, DbA Islander Wholesale	20-06971
JCW Investments, Inc. dba Tekky Toys	20-06556
Jeff Smith Bldg & Development Inc.	20-06706
Jiangsu Soho Garments Co. Ltd.	20-06932
JM Electrical Inc.	20-06835
John M. Macaluso, DbA John M. Macaluso Revocable Trust, DbA Summit And Whitney Holdings, LLC	20-06844
Jose Santiago Inc.	20-06707
Joseph Electronics, Inc.	20-06606
JS Sainty Hantang Trad Co. Ltd.	20-06708
Kenshoo Inc.	20-06709
Keystone Freight Corp., DbA Keystone Freight, DbA National Retail Transportation	20-06880
Kidz Toyz HK Limited	20-06845
Kimco Facility Services LLC	20-06710
Klamco Ent, DbA Klamco Ent.	20-06712
KPMG LLP	20-06557
Kreber Graphics, Inc., DbA Kreber	20-06713
Kricket Inc., DbA PC Wholesale Inc.	20-06899
Larson Manufacturing Company Inc.	20-07015
Laser Products Inc.	20-06802
Lawnstyles Maintenance Inc.	20-06714
Letex Limited	20-06803
Liberty Distributors Inc.	20-06994
Lifeworks Technology Group, LLC, DbA Lifeworks Technology Group	20-06846
Linon Home Decor Products Inc.	20-06715
Linon Home Decor Products Inc.	20-06940
LM Farms LLC, DbA Gardens Alive	20-06717
Luis Garraton Inc.	20-06822
M & S Landscaping Inc.	20-06718
Madison Center Owner LLC	20-06804
Majestique Corporation	20-06719
Malca-Amit USA LLC, DbA Malc-Amit	20-06720
Mall at Lima LLC	20-06721
Marion Plaza Inc., DbA Eastwood Mall	20-06722
Market Force Information Inc.	20-06723

Marketing Card Technology LLC	20-06724
Max Mehra Collections LLC	20-06725
Max-Union Int'l Enterprises Ltd.	20-06972
May Cheong Toy Products Fty. Ltd.	20-06847
Mayaguez Optical Laboratories Inc., Db a Mayaguez Optical Laboratories Inc.	20-06881
Mayflower Cape Cod LLC	20-06726
McKee Foods Corp.	20-06727
Media Works Ltd.	20-06728
Mendez & Co. Inc.	20-06882
Mens Fashion Corporation	20-06729
Mesilla Valley SPE - 991068834 LLC	20-06558
Mid America Transfer Inc.	20-06805
Midland Empire Retail LLC, Db a East Hills Shopping Center	20-06883
Milberg Factors Inc.	20-06900
Milestone Distributors Inc., Db a Milestone Distributors	20-06848
Milliman, Inc.	20-06562
Mindful LLC	20-06730
Mitchell & Phillips Inc.	20-06731
MJ Holding Company LLC	20-06732
Mobileessentials LLC	20-06733
Modern-Aire Ventilating Corp.	20-06946
Murtha Enterprises Inc.	20-06736
Mzirp Inc.	20-06737
Namco Realty LLC; and Logan Valley Realty LLC	20-06563
NATI LLC	20-06738
National Excelsior Company	20-07016
National Presto Industries Inc.	20-06995
NDA Distributors, LLC, Db a NDA Wholesale Distributors, Db a NDA	20-07005
NES Jewelry, Inc.	20-06739
Netrelevance LLC	20-06740
Newgate Mall Equities LLC	20-06564
Nine Ink LLC	20-06807
Ningbo Meiqi Tool Co. Ltd.	20-06849
Northland Mechanical Contractors Inc.	20-06741
Northtowne Associates Inc., Db a Northtowne Associates	20-06850
Nova Genesis Int'l Co. Ltd.	20-06894
NTA Enterprise Inc.	20-06744
O.H. Sunglass Inc., Db a Universal Sunglasses	20-07010

Open America Inc., DbA Open Works	20-06808
Oracle Elevator Company	20-06746
Oriental Lead Investments Limited	20-06949
Outdoor Edge Cutlery Corporation	20-06747
P L Developments Inc.	20-06748
Pacific Realty Associates LP	20-06823
Pacific Transfer LLC, DbA Pacific Transfer, DbA Pacific Transfer & Warehouse	20-06951
Partners In Leadership LLC	20-06749
Pepsi-Cola Bottling Company of Guam Inc.	20-06566
Perfume Worldwide Inc.	20-06952
Pioneer VNS Inc.	20-06809
PR North Dartmouth LLC	20-06973
Pratt Industries Inc., DbA Pratt Industries USA	20-06852
Primacy Industries Limited	20-06750
Productworks LLC	20-06983
Profit Seekers, Inc. dba AudiTec Solutions, Inc.	20-06567
Prologis, L.P.	20-06568
Pulselearning Ltd.	20-06824
Quality For Sale Advertising Distributing Corporation, DbA Quality for Sale	20-06825
Quantcast Corporation	20-06753
Quanzhou Baofeng Shoes Co. Ltd.	20-06954
Quest Resource Management Group, LLC	20-06569
Racoon-Mahoning Associates LLC	20-06810
Racquet Club-Westgate LLC	20-06826
Red Book Connect, LLC, DbA Red Book Solutions	20-06853
Reedy Industries Inc., DbA Southwest Town Mechanical Services	20-06827
Refrigeration Services Inc.	20-06754
Regent Cabinetry And More, Inc.	20-06755
Retailnext Inc.	20-06756
RFP Atlas Sales LLC	20-06757
RGGD Inc., DbA Crystal Art Gallery	20-06836
Ricardo Cruz Distributors Inc.	20-06758
Riskified Inc.	20-06760
RKW Partners Inc.	20-06761
Robert C. Capshaw, DbA RBD Six Forks, LLC	20-06885
Ronan Tools Inc.	20-06762
Route 66 Holdings, LLC	20-06570
Rubyred Garment Manufacturing SAE	20-06955

S Lichtenberg & Co. Inc.	20-06974
Samsonite LLC, DbA High Sierra Sport Company	20-06938
Santa Fe Mall Property Owner LLC	20-06573
Scribcor Global Lease Administration LLC, DbA Scribcor Global Lease Administration	20-06893
Select International LLC	20-06764
Shadloo Industrial Co. Ltd.	20-06854
Shanghai Fochier Int'l Trade Co. Ltd.	20-06897
Shanghai Kington Trading Co. Ltd.	20-06828
Shawshank Ledz Inc.	20-06765
Shinjin International Corp.	20-06986
Silver Buffalo LLC	20-06766
Simple Products Corporation	20-06767
SITE Centers Corp., DbA Retail Value Inc., DbA Ddr Norte LLC	20-06975
Solon OH Retail LLC	20-06886
South Water Signs LLC	20-06768
Southeastern Industrial Linings Inc.	20-06769
Spanish Bay Ventures, LLC, DbA Ron's Home And Hardware	20-06977
Standard Builder Inc.	20-06813
Star Bright Int'l Ltd.	20-06959
Sterling Value Add Investments II, DbA Svap II Stones River LLC	20-06855
Styletex Limited	20-06960
Sunrise Mall LLC	20-06575
Sutherland Global Services Pvt. Ltd.	20-06576
Tai Fong Shoes Limited	20-06892
Talentquest, LLC, DbA Talentquest	20-06770
Target Plus Response Inc.	20-06771
Taste Beauty LLC	20-06772
Tasty Main LLC	20-06577
Tech For Less Inc., DbA Tech For Less LLC	20-06773
The Allen Company, Inc.	20-06578
The Associates Group LLC	20-06814
The Basket Company & Corp.	20-06774
The Eureka Company, DbA Electrolux Home Care	20-06887
The J.M. Smucker Company, DbA Smucker Retail Foods Inc.	20-06888
Thermo Dynamics Inc. of Connecticut, DbA Thermo Dynamics Inc.	20-06901
Thule Inc.	20-06815
TJ Daniels Inc., DbA Stride Staffing	20-06816
TLF (Portland), LLC fdB TLF Properties Fund LP	20-06580
Touchstorm LLC	20-06775

Toy2U Manufactory Company Limited	20-06896
Tradewinds Distributing Company, Dba Comfortup	20-06856
Transfuel Inc.	20-06776
Transport Express, Inc., Dba Transport Xpress	20-06961
Tri Land Corporation Ltd.	20-06581
Trimfoot Co LLC, Dba Wee Kids	20-06777
Trintech Inc.	20-06817
True Manufacturing Co., Inc.	20-06988
TSG Downtown Chesterfield Redevelopment, LLC	20-06891
UBS Bank USA dba UBS AG London Branch	20-06582
Ultimate Software Group Inc.	20-06779
Uniek Inc.	20-06780
Universal Hosiery Inc.	20-06781
UPS Customhouse Brokerage, Inc.	20-06583
VCG Whitney Field, LLC	20-06584
Ventiv Technology Inc.	20-06585
Versapet Incorporated	20-06830
Victory Marketing Agency LLC	20-06831
Vietnam Textile Garment International Trading Company Limited	20-06586
Walnut Hill Properties LLC	20-06783
Water Inc.	20-06963
Weavetex Overseas Pvt. Ltd., Dba Weavetex Overseas	20-06989
White & Case LLP	20-06587
White Graphics Inc.	20-06784
White Plains Galleria Limited Partnership, Dba WP Galleria Realty LP	20-06890
Wholesale Interiors Inc.	20-06965
Winfat Industrial Co. Ltd.	20-06588
Winners Industry Company Limited	20-06895
WNR Industries Ltd.	20-06605
World Racing Group Inc.	20-06786
WXZ Construction LLC	20-06966
Xiamen Top Mountain Trading Co. Ltd.	20-06857
Yat Fung Ltd.	20-06991
Zhuji Yousheng Imp. And Exp. Co. Ltd.	20-06858

\* 333 Adversary Proceedings

**Exhibit 2**

**AVOIDANCE ACTION PROCEDURES**

**A. Effectiveness of the Procedures Order**

1. This Procedures Order approving the procedures Motion shall apply to all Defendants in the Avoidance Actions listed on **Exhibit 1** attached hereto. To the extent a Party is a Defendant in an Avoidance Action subject to this Procedures Order governing cases less than or equal to \$500,000, and is also a defendant in a separate adversary proceeding governed by the procedures order covering those cases with an amount in controversy greater than \$500,000, the Parties shall meet and confer to decide whether the actions should proceed under one procedures order or the other. If an agreement cannot be made, the parties may apply to the Court for resolution.
2. The Procedures Order will not alter, affect or modify the rights of Defendants to seek a jury trial in or withdrawal of the reference of, Avoidance Actions or otherwise to move for a determination on whether the Court has authority to enter a final judgment, or issue proposed findings of fact and conclusions of law, in an Avoidance Action under 28 U.S.C. § 157, and all such rights shall be preserved unless otherwise agreed to in a responsive pleading consistent with the Bankruptcy Rules and Local Bankruptcy Rules.

**B. Extensions to Answer or File Other Responsive Pleading to the Complaint**

3. The time to file an answer or other responsive pleading to a complaint filed in an Avoidance Action shall be extended by 60 days such that an answer or other responsive pleading is due within 90 days after the issuance of the summons.

**C. Waiver of Requirement to Conduct Pretrial Conference**

4. Federal Rule of Civil Procedure 16, made applicable to the Avoidance Actions pursuant to Bankruptcy Rule 7016 (*i.e.*, pretrial conferences), is hereby waived and not applicable with respect to the Avoidance Actions. Neither the Plaintiff nor any Defendant shall be required to appear at any initial pretrial conference, including any initial pretrial conference originally scheduled pursuant to Local Rule 7016-2.

**D. Waiver of Requirement to Conduct Scheduling Conference**

5. Federal Rule of Civil Procedure 26(f), made applicable to the Avoidance Actions pursuant to Bankruptcy Rule 7026 (mandatory meeting before scheduling conference/discovery plan), is hereby waived and is not applicable to the Avoidance Actions. Thus, the parties to the Avoidance Actions shall not be required to submit a written report as may otherwise be required under Federal Rule of Civil Procedure 26(f).

**E. Discovery, Mediation, and Dispositive Motion Schedule**

6. All discovery in each Avoidance Action is hereby stayed until the mediation process set forth below (the “**Mediation Process**”) is concluded; provided that the stay of formal discovery shall in no way preclude, with respect to any Avoidance Action, the Plaintiff and applicable Defendant from informally exchanging documents and information in an attempt to resolve such Avoidance Action in advance of, or during, the Mediation Process.
7. Any open Avoidance Actions that have not been resolved and/or settled by January 29, 2021 (the “**Remaining Avoidance Actions**”), shall be referred to mandatory mediation and the Mediation Process in paragraphs 8-13.
8. Between February 1, 2021 and February 15, 2021, Defendants in the Remaining Avoidance Actions shall choose a mediator from the list of proposed mediators (each a “**Mediator**,” collectively, the “**Mediators**”) (the “**Mediator List**”) attached hereto as **Exhibit 3**. Concurrently, Defendants in the Remaining Avoidance Actions shall notify Plaintiff’s counsel of the Defendant’s choice of Mediator by contacting: (i) if Plaintiff is represented by ASK LLP, Laurie N. Miskowiec, in writing, via email at **lmiskowiec@askllp.com** or via letter correspondence addressed to ASK LLP, 2600 Eagan Woods Drive, Suite 400, St. Paul, MN 55121, or (ii) if Plaintiff is represented by Katten Muchin Rosenman LLP (“**Katten**”), Carl Lawrence, in writing, via email at **carl.lawrence@katten.com** or via letter correspondence addressed to Katten Muchin Rosenman LLP, 575 Madison Avenue, New York, NY 10022. If a Defendant in a Remaining Avoidance Action does not timely choose a Mediator from the Mediator List and notify Plaintiff’s counsel of the same, Plaintiff will assign such Remaining Avoidance Action to one of the Mediators from the Mediator List.
9. Upon notification of such selection or assignment, the selected Mediator shall have an opportunity to determine whether he/she has any conflicts with the Defendant(s) and, in the event of a conflict, may abstain from acting in the particular mediation. If the selected Mediator abstains, Defendant will be given another 15 days to select an alternate Mediator as described in paragraph 8 above.
10. Upon the selection of Mediators, Plaintiff, working with the Mediators, will commence scheduling mediations. Each Mediator will provide to Plaintiff the dates on which the Mediator is available for mediation and the parties shall cooperate with the Mediators and each other regarding the scheduling of mediations. Plaintiff’s counsel shall contact Defendant or Defendant’s counsel with a list of proposed dates for mediation provided by the Mediator. Mediation will then be scheduled on a first-come, first-served basis.
11. Plaintiff will give at least 21 days’ written notice of the first date, time and place of the mediation in each Remaining Avoidance Action (the “**Mediation Notice**”), which notice shall be served on the applicable Defendant.

12. Within 7 calendar days after the conclusion of the mediation, the Mediator shall file a report (the “**Mediator’s Report**”) pursuant to General Order M-452 in the Remaining Avoidance Action, which shall be limited to stating only a) compliance or non-compliance with the General Order and b) whether the Remaining Avoidance Action settled or did not settle.
13. The Mediation Process with respect to all of the Remaining Avoidance Actions must be concluded by August 31, 2021.
14. Any open Avoidance Actions shall be required to provide the disclosures required under Rule 7026(a)(1) (the “**Initial Disclosures**”) on or before September 30, 2021.
15. All written interrogatories, document requests and requests for admission, if any, may be served upon the adverse party any time after the Mediator’s Report is filed. All written interrogatories, document requests and requests for admission, if any, must be served no later than September 30, 2021.
16. The parties to the Avoidance Actions shall have through and including January 14, 2022 to complete non-expert fact discovery, including depositions of fact witnesses.
17. Unless the parties agree to a broader scope of discovery, absent further order of the Court upon a showing of good cause, discovery will be limited solely and specifically to nonprivileged matters (i) that are properly discoverable under the Bankruptcy Rules and (ii) relate solely to the Avoidance Actions.
18. Federal Rule of Civil Procedure 33, made applicable herein pursuant to Bankruptcy Rule 7033, shall apply to the Avoidance Actions.
19. Federal Rule of Civil Procedure 34, made applicable herein pursuant to Bankruptcy Rule 7034, shall apply to the Avoidance Actions.
20. Federal Rule of Civil Procedure 36, made applicable herein pursuant to Bankruptcy Rule 7036, shall apply to the Avoidance Actions.
21. Should a discovery dispute arise, the parties’ counsel shall promptly confer to attempt in good faith to resolve the dispute. If, notwithstanding their good faith efforts to do so, they are unable to resolve a discovery dispute, the complainant shall file with the Court and email to the Court’s chambers, copying counsel for the opponent, a letter outlining said issues. Respondent must reply within two (2) business days by filing a letter on the docket with a copy emailed to the Court’s chambers, copying counsel for the opponent. Such letter, excluding exhibits, shall be no longer than two (2) pages. The Court shall then inform the parties if it will require a conference call or formal motion. At any ensuing conference or hearing on a motion, the Court will ask the parties about their prior efforts to resolve the dispute.



22. Pursuant to Federal Rule of Civil Procedure 26(a)(2), made applicable herein pursuant to Bankruptcy Rule 7026, disclosures and reports (a) concerning any issue on which a party bears the burden of proof (not including any report by Plaintiff on insolvency) and (b) if Defendant intends to provide expert testimony regarding insolvency of the Debtors, such report, if any, shall be made to the Plaintiff on or before February 28, 2022.
23. Federal Rule of Civil Procedure 26(a)(2), made applicable herein pursuant to Bankruptcy Rule 7026, disclosures and reports (a) of the parties' rebuttal experts, and (b) Plaintiff's report on the insolvency of the Debtors, if any, shall be made to the adverse party on or before April 21, 2022.
24. All expert discovery, including expert witness depositions, shall be concluded on or before May 30, 2022.
25. The standard provisions of Federal Rule of Civil Procedure 26(e), made applicable herein pursuant to Bankruptcy Rule 7026, shall apply to the Avoidance Actions with respect to supplementation of discovery responses.
26. Either or both parties may seek leave under Local Bankruptcy Rule 7056 by email to the Court, with a copy to the counsel for the opposing party; provided, that all dispositive motions shall be filed and served at any time after the Mediation Process but before June 30, 2022. In the normal course, the Court will not permit the filing and pursuit of a summary judgment motion before the completion of discovery. Notwithstanding Local Bankruptcy Rule 7005-1, the party filing or opposing such dispositive motion shall be allowed to introduce such exhibits as needed to meet its burden of proof or rebut such burden.

#### **F. Mediation Procedures and Requirements**

27. Mediations shall take place in New York, New York, except as otherwise agreed to by the parties and the Mediator. Mediations shall be held at the law office of the Debtors' counsel, the Mediator's office, or at another location agreed upon by the Mediator; **provided, that, notwithstanding any other provision hereof, at the direction of the Mediator, any or all of the Mediation may be conducted telephonically or via a video conferencing service.** Local Bankruptcy Rule 9019-1 and the Court's General Order M-452 concerning mediation procedures shall govern the mediations, except as otherwise set forth herein. General Order M-452 is available on the Court's website at: <http://www.nysb.uscourts.gov/>.
28. All proceedings and writing incident to the mediation will be considered privileged and confidential and subject to all the protections of Federal Rule of Evidence 408, and shall not be reported or admitted in evidence for any reason except to prove that a party failed to comply with the Mediation Process set forth in these Procedures.
29. The Mediators shall be required to file disclosures prior to the scheduling of mediation.

30. The parties in each Remaining Avoidance Action will participate in the mediation, as scheduled and presided over by the chosen Mediator, in good faith and with a view toward reaching a consensual resolution. The mediation shall be attended in person by a representative of the Defendant with full settlement authority (and if a Defendant is represented by counsel, their counsel) as well as counsel for the Debtor (who must have settlement authority from the Debtors, or a Debtor representative shall appear as well), except that: (1) a Mediator, in his or her discretion, may allow a party representative to appear telephonically or via video, (2) the parties may consent to a party representative appearing telephonically or via video. **Any such request must be made prior to ten (10) business days before the scheduled mediation date, or Defendant is deemed to waive such request.** Should a party representative appear by telephone or via video, counsel appearing in person for that party shall have full settlement authority. To the extent a Mediator grants a party's request to appear telephonically, the requesting party is responsible for arranging for and paying any fees associated with teleconference services. Should a dispute arise regarding a Mediator's decision on whether to allow a party representative to appear telephonically or via video rather than in person, a party may apply by email to the Court, in advance of the mediation, by sending a letter outlining said issues to chambers. The Court may then schedule a conference call to address the issues.
31. The Mediator will preside over the mediation with full authority to determine the nature and order of the parties' presentations, and the rules of evidence will not apply. Each Mediator may implement additional procedures which are reasonable and practical under the circumstances.
32. The Mediator, in the Mediation Notice (by language provided to Plaintiff by the Mediator) or in a separate notice that need not be filed, may require the parties to provide to the Mediator any relevant papers and exhibits, a statement of position, and a settlement proposal. In the Mediator's discretion, upon notice (which need not be filed), the Mediator may adjourn a mediation or move a mediation to a different location within the same jurisdiction. The Mediator may also continue a mediation that has been commenced if the Mediator determines that a continuation is in the best interest of the parties.
33. The parties must participate in the scheduling of mediation and mediate in good faith. If the mediator feels that a party to the mediation is not attempting to schedule or resolve the mediation in good faith, the mediator may file a report with the Court. The Court may, without need for further motion by any party, schedule a hearing. If the Court determines that the party is not cooperating in good faith with the mediation procedures, the Court may consider the imposition of sanctions. Additionally, if either party to the mediation is not attempting to schedule or resolve the mediation in good faith, the opposite party may file a motion for sanctions with the Court. Litigation with respect to the issuance of sanctions shall not delay the commencement of the mediation. Sanctions may include, but are not limited to, attorney's fees and costs and fees of the Mediator.

34. The Debtor may, in its sole discretion, adjourn a mediation up to and including but not later than the seventh day preceding the date that it is scheduled (or rescheduled) to commence upon notice to the Mediator and the Defendant. A mediation adjourned pursuant to the preceding sentence remains subject to Paragraph 33 of this Order; *provided, however*, that, notwithstanding any other provision of this Order, an adjourned and rescheduled mediation may occur after August 31, 2021.
35. Upon notice and a hearing, a party's failure to appear at the mediation or otherwise comply with the Procedures Order with respect to mediation, may result in a default judgment or dismissal being obtained against the party failing to comply with the mediation provisions. The Mediator shall promptly file with the Court a notice when any party fails to comply with the mediation provisions set forth in the Procedures Order.
36. The fees and costs of the Mediator (the "**Mediation Fee**") shall be paid equally by the parties on a fixed-fee schedule as set forth below. The parties shall pay one-fourth of the Mediation Fee as least seven (7) calendar days prior to the commencement of mediation (the "**Initial Mediation Fee**"). The remaining fee will be due and paid by the parties on the date of mediation, should the mediation go forward. If the parties settle prior to the mediation, the Mediator must be informed of the settlement prior to seven calendar days before the scheduled mediation or the Initial Mediation Fee is nonrefundable:
  - i. cases with a claim amount (as reflected in the complaint) of less than \$100,000: \$3,000.00 per case;
  - ii. cases with a claim amount (as reflected in the complaint) equal to or greater than \$100,000 and less than \$250,000: \$4,000 per case; and
  - iii. cases with a claim amount (as reflected in the complaint) equal to or greater than \$250,000 and less than \$1,000,000: \$5,000 per case.
  - iv. cases with a claim amount (as reflected in the complaint) equal to or greater than \$1,000,000 and less than \$5,000,000: \$6,000.00 per case;
  - v. cases with a claim amount (as reflected in the complaint) equal to or greater than \$5,000,000: \$7,000 per case.
37. Mediation that is continued for more than one calendar day will be continued on an hourly fee basis to be paid equally by the parties.
38. Defendants that have additional Avoidance Actions commenced against their affiliates in the Debtors' bankruptcy cases may mediate all related Avoidance Actions at one time and, in such event, the Mediation Fee shall be based upon the combined total claim amount for all related Avoidance Actions.
39. Mediation statements shall be delivered to the Mediator 7 calendar days prior to the mediation. Unless otherwise directed by the Mediator, the mediation statements shall be shared with the opposing party, except that any party that has confidential

information may share such confidential information solely with the Mediator. The Mediator will direct the parties as to further instructions regarding the mediation statements.

40. Without the prior consent of both parties, no Mediator shall mediate a case in which he/she or his/her law firm represents a party. If a Mediator's law firm represents any Defendant in the Avoidance Actions, then: (a) the Mediator shall not personally participate in the representation of that Defendant; (b) the law firm shall notate the file to indicate that the Mediator shall have no access to it; and (c) any discussions concerning the particular Avoidance Action by employees of the law firm shall exclude the Mediator. The Mediator's participation in mediation pursuant to the Procedures Order shall not create a conflict of interest with respect to the representation of such Defendants by the Mediator's law firm.
41. No Mediator shall be called as a witness by any party except as set forth in this paragraph. No party shall attempt to compel the testimony of, or compel the production of documents from, the Mediators or the agents, partners or employees of their respective law firms. Neither the Mediators nor their respective agents, partners, law firms or employees (a) are necessary parties in any proceeding relating to the mediation or the subject matter of the mediation, nor (b) shall be liable to any party for any act or omission in connection with any mediation conducted under the Procedures Order. Any documents provided to the Mediator by the parties shall be destroyed 30 days after the filing of the Mediator's Report unless the Mediator is otherwise ordered by the Court. However, subject to court order, a Mediator may be called as witness by any party and may be compelled to testify on a limited basis in proceedings where it is alleged that a party failed to comply with mediation procedures as required in the foregoing paragraphs of this Procedures Order.
42. All proceedings and writings incidental to the mediation shall be privileged and confidential, and shall not be reported or placed in evidence.

**G. Miscellaneous**

43. If, after dispositive motions have been filed in an Avoidance Action and a decision on the same does not resolve the matter, that Avoidance Action shall be scheduled for a trial date that is convenient to the Court's calendar. Parties should be ready to proceed to trial within three weeks after such decision is rendered. Before seeking such trial date, the parties shall have met and conferred and agreed on their best estimate of the length of the trial, taking into account the procedures set forth below. When seeking such date, they shall inform the Court's Courtroom Deputy of such estimate. Normally, the Court expects that Avoidance Action trials will not take longer than one day. If the parties believe otherwise, they should arrange a pre-trial conference before scheduling the trial.
44. On or before two weeks before the trial, the parties shall have (a) met and conferred and used their best efforts to agree on a joint agreed exhibit book and shall have

identified any exhibits whose admissibility is not agreed and (b) exchanged proposed witness lists.

45. On or before one week before the scheduled trial date, the parties shall (a) submit to chambers (in hard copy) declarations under penalty of perjury or affidavits of their direct witnesses, who shall be present at trial for cross-examination and redirect, or have previously sought (by email to the Court's chambers, with a copy to counsel for the opposing party) the Court's permission to examine direct witnesses at trial and (b) submit the joint exhibit book referred to in paragraph 44.
46. The Local Bankruptcy Rules shall apply, except that this Procedures Order shall control with respect to the Avoidance Actions to the extent of any conflict with the Local Rules or other applicable rules and orders of the Court.
47. The deadlines and/or provisions contained in this Procedures Order may be extended and/or modified by the Court upon written motion and for good cause shown or consent of the parties pursuant to stipulation, which stipulation (a) if solely related to an extension of time for Defendant to file a response to the complaint, must be filed with the Court, and (b) in all other deadline extensions, must be filed with the Court, with a copy emailed to the Court's chambers and "So Ordered."
48. **FAILURE TO COMPLY WITH THESE PROCEDURES MAY RESULT IN DISMISSAL OR OTHER SANCTION.** If delay or other act or omission of your adversary may result in a sanction against you, it is incumbent on you to promptly bring this matter to the Court for relief.

**Exhibit 3**

**MEDIATOR LIST**

1. David Banker  
Montgomery McCracken Walker & Rhoads LLP
2. Christopher Battaglia  
Halperin Battaglia Benzija, LLP
3. Mark Felger  
Cozen O'Connor P.C.
4. Eric Haber  
Law Office of Eric Haber, PLLC
5. Jorian Rose  
BakerHostetler
6. Sean Southard  
Klestadt Winters Jureller Southard & Stevens, LLP